

**SECRET**

Approved Release 2003/04/23 : CIA-RDP85S00362R000200100005-3

IAC-M-355  
5 August 1958

I N T E L L I G E N C E   A D V I S O R Y   C O M M I T T E E

Minutes of Meeting Held in  
IAC Conference Room, Administration Building  
Central Intelligence Agency, at 1045, 5 August 1958

Director of Central Intelligence  
Allen W. Dulles  
Presiding

MEMBERS PRESENT

Mr. R. Gordon Arneson, acting for Director of Intelligence and  
Research, Department of State  
Major General Robert A. Schow, Assistant Chief of Staff, Intelligence,  
Department of the Army  
Rear Admiral Laurence H. Frost, Director of Naval Intelligence,  
Department of the Navy  
Major General Harold E. Watson, acting for Assistant Chief of Staff,  
Intelligence, United States Air Force  
Brigadier General R. A. Breitweiser, Deputy Director for Intelligence,  
The Joint Staff  
Mr. Charles H. Reichardt, acting for Atomic Energy Commission  
representative to the IAC  
Mr. Meffert Kuhrtz, acting for Federal Bureau of Investigation  
representative to the IAC

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IAC-M-355  
5 August 1958

1. Approval of Minutes

29 July Meeting  
(IAC-M-354)

Approved as written.

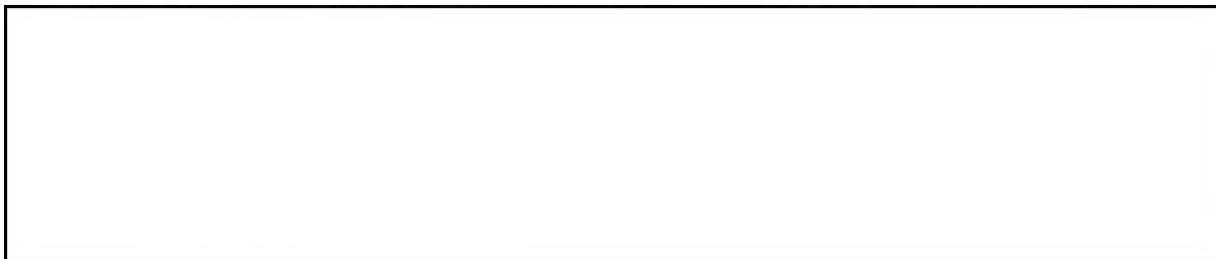
2. Situation Review

a. Watch Committee Report  
No. 417

Noted.

b. Review of Sensitive Situations

The Chairman and members discussed the Taiwan Strait situation in some detail, particularly in the light of the recent Khrushchev-Mao meeting, military dispositions in the area and various reports regarding the attitudes and activities of Chinese Communists and Chinese Nationals.



3. Initiation of Estimates

In the course of the discussion of sensitive situations Mr. [redacted] advised the members of a Planning Board requirement for a crash estimate on the Middle East. He noted also that a special estimate on Indonesia was being drafted on a crash basis. The members concurred in the initiation of these estimates and agreed that they should be submitted for review at the next regular IAC meeting.

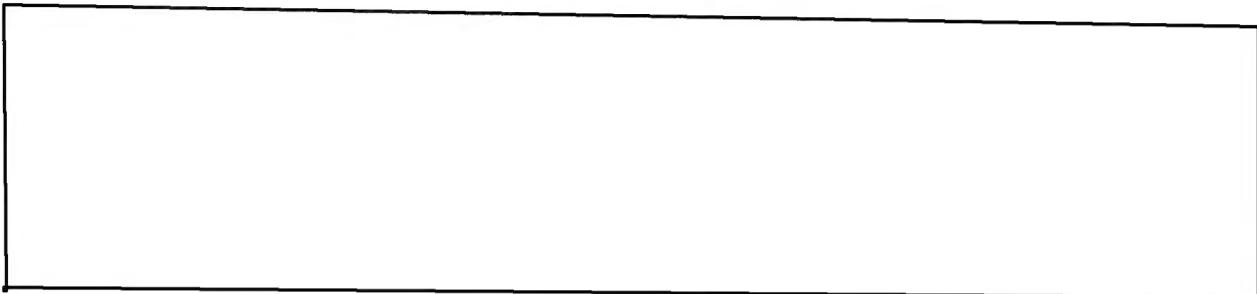
The Chairman read a letter from Mr. Cumming outlining a State Department requirement for an estimate dealing with the possible

IAC-M-355

5 August 1958

implications of a substantial increase in US-USSR trade. The members agreed to undertake the estimate as requested, with a tentative target date for IAC consideration of about 1 September.

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25X1  
25X6

5.

[redacted]  
The Outlook for [redacted]

- a. Approved as amended.
- b. Noted the post-mortem on this estimate.
- c. Noted the validity studies on [redacted] "The Outlook for [redacted]"

25X1

25X6

- d. No member objected to the release of this estimate to USIA.

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6. [redacted]  
The Nature of the Sino-Soviet  
Bloc Economic Threat in the  
Underdeveloped Areas

- a. Approved as amended. During the course of the discussion of this estimate the Chairman outlined the nature of a high-level study being made by the Business Advisory Council on the Soviet trade and aid offensive. He noted that intelligence support was being furnished to the group and stated that [redacted] should be made available to them.

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- b. Noted the findings, as amended, and approved the recommended action on the post-mortem on [redacted]

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IAC-M-355  
5 August 1958

c. Noted the validity study of [redacted] "Sino-Soviet Foreign Economic Policies and Their Probable Effects in Underdeveloped Areas." 25

d. No member objected to the release of this estimate to USIA.

7. Executive Session

At 1200 the Chairman requested an executive session.

Adjournment: 1235

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[redacted]  
Secretary

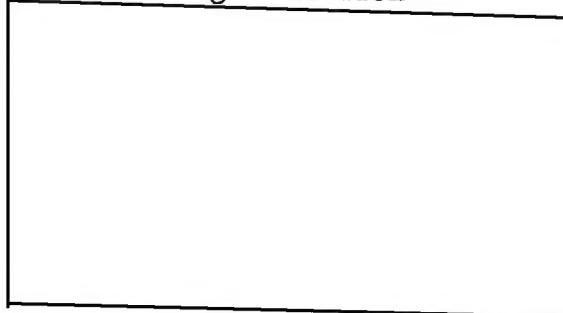
IAC Meeting, 5 August 1958

ALSO PRESENT

Central Intelligence Agency

General Charles P. Cabell  
Mr. Huntington Sheldon

25X1



Department of State

Mr. William McAfee  
Mr. A. B. Wardlaw  
Mr. W. W. Woodbury

Department of the Army

Lieutenant Colonel Charles H. Pratt  
Lieutenant Colonel Edward L. Nicely

Department of the Navy

Captain W. S. Howell

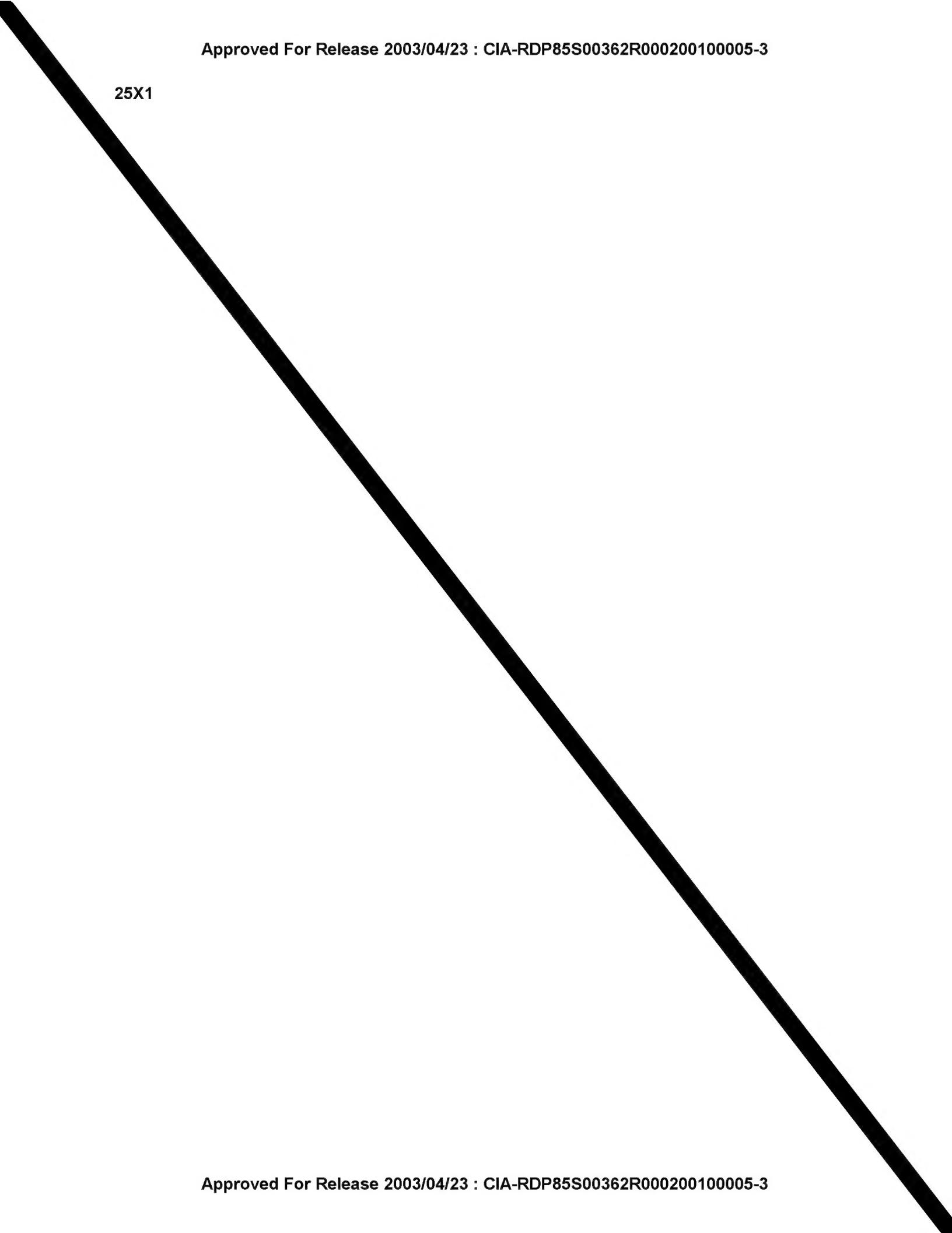
Department of the Air Force

Colonel David S. Crist  
Lieutenant Colonel J. G. Pickering, III

The Joint Staff

Colonel D. M. Garvey, USA

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IAC-M-354  
29 July 1958

I N T E L L I G E N C E   A D V I S O R Y   C O M M I T T E E

Minutes of Meeting Held in  
IAC Conference Room, Administration Building  
Central Intelligence Agency, at 1045, 29 July 1958

Deputy Director of Central Intelligence  
General Charles P. Cabell  
Presiding

MEMBERS PRESENT

Mr. R. Gordon Arneson, acting for Director of Intelligence and  
Research, Department of State

Major General Robert Schow, Assistant Chief of Staff, Intelligence,  
Department of the Army

Rear Admiral V. L. Lowrance, acting Director of Naval Intelligence,  
Department of the Navy

Major General James H. Walsh, Assistant Chief of Staff, Intelligence,  
United States Air Force

Brigadier General Robert A. Breitweiser, Deputy Director for  
Intelligence, The Joint Staff

Mr. Charles H. Reichardt, acting for Atomic Energy Commission  
representative to the IAC

Mr. Sam Papich, acting for Federal Bureau of Investigation  
representative to the IAC

IAC-M-354  
29 July 1958

1. Approval of Minutes

22 July Meeting

(IAC-M-353)

a. Approved as written, subject to the deletion of "and no early IAC meeting is scheduled" in the seventh and eighth lines of paragraph 3 b.

b. Mr. Sheldon referred to the question raised at last week's IAC meeting with respect to CIA assuming responsibility for transmitting to all other IAC agencies information regarding a crisis situation which was passed to CIA by another agency (IAC-M-353, item 4). He stated that, after studying the problem, it was his view that CIA should not assume this responsibility prior to the installation of its new technical facilities about 1 September. The members concurred in this view.

2. Situation Review

a. Watch Committee Report  
No. 416

Noted.

b. Review of Sensitive Situations

The members noted a memorandum, dated 28 July, entitled "The Middle East Crisis," which had been concurred in by the IAC representatives. After discussion it was agreed that no further formal action should be taken on this paper, with the understanding that each member should use this report as he saw fit.

Mr. Arneson commented on the implications of the Singapore elections and the situation in Laos. He also informed the members regarding certain aspects of the talks which the Secretary of State had while he was abroad recently, including his conversation with Adenauer, discussions bearing on the Baghdad Pact and exchanges of view with the British. General Schow invited the members' attention to reports on developments in Haiti.

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IAC-M-354  
29 July 1958

3. Comparative Evaluation Studies  
(IAC-D-126, 24 July; Limited distribution)

25X1 After reviewing and discussing pertinent background information, the members concurred in Mr. Dulles' memorandum on this subject (IAC-D-126), including his designation of [redacted]

25X1 [redacted] as the intelligence representative on the group undertaking the initial study. It was agreed that each IAC agency would submit to the Secretary, IAC, the name of an individual who would be a point of contact for [redacted] within that agency, to facilitate the finding of experts in the field covered by this study.

25X1 4. [redacted]

- a. Approved as amended.
- b. No member objected to the release of this estimate to USIA.

25X1 5. [redacted]

- a. Approved as amended.
- b. Agreed to release this estimate to USIA.

25X1 6. [redacted]

- a. Approved.
- b. Agreed not to release this estimate to USIA.

7. Revision of NSCIDs

The Chairman advised that IAC-USCIB action on draft NSCID No. 6 (IAC-D-123/1, 23 July) had been completed but that the Joint Staff had raised a question with respect to draft NSCID No. 7.

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IAC-M-354  
29 July 1958

General Breitweiser then circulated copies of changes in the draft NSCID No. 7 which had been proposed by the Joint Chiefs of Staff in a memorandum to the Secretary of Defense, dated 24 February 1958, and later circulated by the Executive Secretary, NSC to the members of the NSC by a memorandum of 11 March. After discussion the members approved a revision of the new draft NSCID No. 7 incorporating the changes proposed by the Joint Chiefs of Staff. The Chairman stated that if NSA and General Erskine's office approved the draft NSCID No. 7 as revised by the IAC members, it would constitute final IAC-USCIB action on the draft NSCID No. 7.\* The members noted also that, following the receipt of these formal concurrences on the draft NSCID No. 7, all of the necessary IAC-USCIB actions with respect to the draft NSCIDs 1 through 7 would have been completed and they would be ready for submission to the NSC.

#### 8. Budgetary Discussion

The Chairman read and commented on a letter to Mr. Dulles from the Director, Bureau of the Budget, bearing on the foreign positive strategic intelligence cost estimates for the intelligence community. After discussion, the members agreed that copies of the letter and its enclosures should be circulated to each IAC member. It was also agreed that a working group, under the Chairmanship of the CIA Comptroller, should review these data and make recommendations to the IAC with respect to standardizing criteria for developing and presenting intelligence cost estimates.

#### 9. U.S. Nuclear Tests

Dr. Reichardt informed the members regarding certain statements which the Soviet press had made with respect to U.S. nuclear tests.

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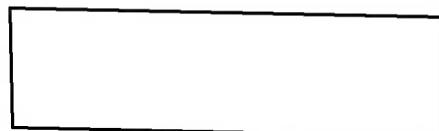
\*Subsequent to the IAC meeting, NSA and General Erskine's office concurred in the draft NSCID No. 7 as revised by the IAC members.

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IAC-M-354  
29 July 1958

Adjournment: 1135

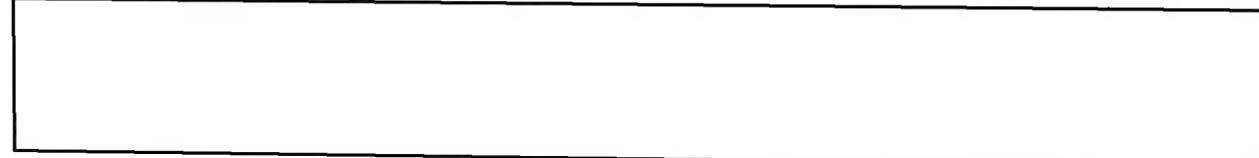


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Secretary

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SECRETARY'S NOTE



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IAC Meeting, 29 July 1958

ALSO PRESENT

Central Intelligence Agency

Mr. Huntington Sheldon

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Dr. Otto E. Guthe

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Department of State

Mr. Robert H. Thayer  
Mr. Richard Sanger  
Mr. Howard Wiedemann  
Mr. Theodore Nelson  
Mr. Francis Williamson

Department of the Army

Lieutenant Colonel Charles H. Pratt  
Lieutenant Colonel E. L. Nicely  
Lieutenant Colonel Howard Thompson  
Major W. O. Peak

Department of the Navy

Captain W. S. Howell  
Commander C. A. Shaw  
Commander Robert Gillette

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Department of the Air Force

Lieutenant Colonel J. G. Pickering, III  
Mr. John A. Power

The Joint Staff

Colonel J. M. Pittman, USA  
Colonel D. M. Garvey, USA  
Colonel W. F. Lantz, USMC  
Captain Wilson, USN